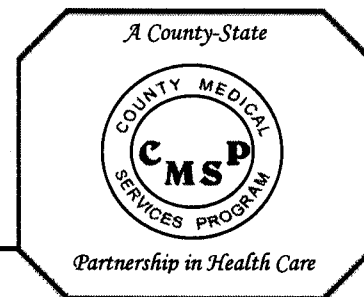


COUNTY MEDICAL SERVICES PROGRAM
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CMSP Letter No.: 04-11
Issue Date : October 6, 2004

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: COUNTY MEDICAL SERVICES PROGRAM (CMSP)
REDUCED ELIGIBILITY CERTIFICATION (REC)

REFERENCE: CMSP ALL COUNTY LETTER (ACL) 04-07, 04-08 and 04-09

The ACLs referenced above provide information related to upcoming changes in the CMSP eligibility process. This letter transmits important additional information relating to these changes.

1. Forms. In ACL 04-09 you were sent camera-ready copies of the English version of CMSP Form 210. At that time we indicated that a Spanish version would be sent at a later date. Included in this mailing are two camera-ready copies of the Spanish version of CMSP Form 210. Please use these as masters to reproduce an adequate supply for your county's use.
2. An updated policy listing. The listing was previously sent to you in ACL 04-07. Since that time changes have been made to items 1, 8, 16, and 23. Additionally, various miscellaneous edits have been made. The significant changes relate to aid code 8F clients: while they will not be subject to limited certification periods, their income will be limited to 200 percent FPL.
3. A list of questions and answers (Q&As). This expands on the information provided in the policy listing. It does not attempt to address issues related to automated eligibility system processes. The applicable system vendors should address those types of questions.

CMSP Welfare Directors
Page 2
October 6, 2004

It is important for ISAWS counties to note that if your county has pending applications that carry over into December, the new rules will apply retroactively to October and November. Please see Q&A No. 12 under Application. Since the processing of these applications may be complex, you are encouraged to reduce the backlog of pending applications prior to December 1, 2004.

Thank you for your attention to this matter. If you have any questions regarding this letter, please call Ms. Genny Fleming at (916) 552-8041, or e-mail at gflaming@dhs.ca.gov.

Sincerely,



Marylyn Willis, Chief
County Medical Services Program Unit

Enclosures

cc: Mr. Lee Kemper
Administrative Officer
CMSP Governing Board
1451 River Park Drive, Suite 222
Sacramento, CA 95815

**County Medical Services Program (CMSP)
Reduced Eligibility Certification (REC)
Policy Listing
September 27, 2004**

1. The policy places time limits on the certification period of individuals eligible for CMSP. Clients with a share-of-cost (SOC), aid codes 85 and 89, will be certified for three months. Clients with no SOC, aid codes 84 and 88, will be certified for six months. Clients with emergency services only, aid code 50, will be certified for the month of application, plus the following month. Clients in aid code 8F (companion to Medi-Cal aid code 53) are not affected by this policy. However, upon release from the long term care (LTC)/skilled nursing facility (SNF), the client must reapply for CMSP if he/she wishes to continue healthcare benefits. (See items 7, 8, and 23 for additional information.)

For all CMSP clients (including aid code 8F), certification periods will not extend beyond the end of the month prior to their 65th birthday.

2. CMSP quarterly status reports and annual redeterminations will be eliminated. (Annual redeterminations will still be required for aid code 8F clients, since their eligibility is tied to Medi-Cal's aid code 53.)
3. Aid code 8F clients are required to comply with the Disability and Adult Program Division (DAPD) process for determining if they are disabled, if the disability is expected to last for at least one year or result in death. The County Welfare Department (CWD) will give the individual a DAPD packet within 10 days of being notified of the individual's entrance into LTC/SNF. If the person has been given a DAPD packet to complete and has not done so within the 30 days required, eligibility for CMSP should be terminated with timely notice. If the person has not been given a DAPD packet to complete, then that person is not required to comply. (If that person has a presumptive disability diagnosis, or is receiving a type of income that is based on a Federal disability determination, he/she will not be in aid code 8F/53 in the first place.) Individuals with this aid code are medically indigent (MI) and are eligible in conjunction with their Medi-Cal aid code 53 (MI person in LTC/SNF.)
4. An individual who is not potentially eligible for Medi-Cal (no linkage or deprivation) can verify savings account and checking account fair market value (FMV) with the sworn statement on the Statement of Facts (SOF), as long as they provide the type of account, the account number, bank name, and balance. That individual can verify life insurance FMV with the sworn statement on the SOF, as long as they provide the insurance company's name and address, type of insurance (whole or term), the face value, and the cash surrender value (CSV). The individual can verify burial insurance and burial trusts with the sworn statement on the SOF, as long as they provide the insurance company's name and address, the face value and the CSV. The individual can verify non-exempt vehicles with the sworn statement on the SOF, as long as they provide enough details for the worker to figure out the FMV (year, make, model). If other members of that individual's family are ineligible for Medi-Cal

solely due to failure to provide valid Medi-Cal resource verifications, their failure to comply will not affect the CMSP individual's CMSP eligibility, unless CMSP also requires this verification.

5. All other property items (stocks, bonds, mutual funds, trusts, real property, etc.) and all income items must be verified, per the current regulations.
6. Any resource verification that is acceptable for Medi-Cal is acceptable for CMSP.
7. All CMSP certification periods are individual based. CMSP individuals in the same case, with the same aid code, will have the same certification period. However, individuals in the same case with *different* aid codes may have *different* certification periods.
8. When determining the certification period, the CWD will review the anticipated SOC based on the most recent information available. Therefore, if the anticipated SOC in the future month is zero, the applicant will be certified for six months. If there is a SOC in the future month, the certification will be for three months only.

Please note: The future month (certification determination month) may be either the second or third month depending upon when the application is processed. Certification should be based on circumstances known at the time of processing, while never going past the second month for certifying aid code 50 or the third month for certifying aid codes 84, 85, 88 or 89.

Example: Application is made in January. If the application is approved in January, the certification period will be based on the SOC anticipated for February. If the application is approved in February, the certification period will be determined by the anticipated SOC for March. Note: In this case, January and February may have different budget/SOC than March. Thus, during the certification period, a client may have a different SOC for the months prior to the future month that is used in determining the period.

9. Clients who have a change in income will not have that change applied to the CMSP SOC during the existing certification period. If the income goes up, there is no change in the CMSP SOC. If the income goes down, there is no change in the CMSP SOC.
10. Clients who have a change in resources will not have that change applied to CMSP resource eligibility during the existing certification period. If the resources increase, the resource determination does not change and the case is not discontinued. If the resources decrease, the resource determination, likewise, does not change. (There is also no advantage for anyone to recompute resource eligibility based on lower resources on an approved CMSP case.)
11. Some non-financial changes that have the potential to affect eligibility for CMSP will be applied to CMSP eligibility determinations during the existing certification period.

Non-financial changes include: a) change in the county of residence; b) change of linkage/deprivation; c) change in cooperation with the DAPD process; d) incarceration; e) loss of contact/returned mail, and f) aid code changes* (i.e., filing a disability application, or full scope client loses Satisfactory Immigration Status (SIS)). If the non-financial change results in ineligibility, CMSP will be discontinued (with timely notice per current regulations). See No. 16 below for discussion of changes in household composition apart from those that automatically bring Medi-Cal linkage/deprivation with them.

*If a client files a disability application during a certification period, the aid code is changed per current policy. There is no discontinuance required. When a full scope client loses SIS, a timely discontinuance is issued without converting to restricted benefits. The client may reapply for emergency only benefits. Conversely, if an emergency services only client becomes eligible for full scope benefits, the emergency certification period will continue unless the client requests discontinuance and reapplies.

12. Fair hearings must be requested within 30 days of the date of the Notice of Action (NOA). In order to receive Aid Paid Pending (APP), the request must be made prior to the effective date of the adverse action, in accordance with current regulations. (See No. 13 for further discussion of APP.)
13. APP can be granted pending a fair hearing when an adverse action is taken on an approved case. APP does not apply in situations where the hearing is requested based on the granting or denying notice(s). Under no circumstance will APP extend beyond the existing certification period, even if the fair hearing has not yet concluded. The client can reapply for CMSP after the end of the existing certification, and eligibility will be determined based on the circumstances in the month of reapplication. (If the new application is denied and the client files a fair hearing on the new denial, APP is not applicable because there is no existing aid to be continued.)
14. A client can request discontinuance of the CMSP case prior to the end of the certification period.
15. Clients who request discontinuance of the CMSP case prior to the end of the certification period can have the current case terminated and can reapply for the following month. A client's request for CMSP discontinuance is exempt from ten-day notice requirements. If the request is in writing, no discontinuance NOA need be sent. If the request is not in writing, discontinuance NOA must be sent and a request for a discontinuance form should also be sent. However, the discontinuance at the end of the month in which it is requested should be processed regardless of the mode of the request, the date of the request, or whether or not the individual has returned a completed written request for discontinuance.
16. In the situation where one individual is eligible for CMSP and another individual (a spouse) joins the family and is a mandatorily-included person in the CMSP Family

Budget Unit (CFBU), the existing CMSP eligibility may or may not be discontinued at the end of the month in which the individual joined the family unit.

If the added individual requests CMSP in the month they joined the CFBU, the original beneficiary must request discontinuance of the existing certification period effective the same month. Failure to do so will be deemed failure to cooperate, and the new family member's application will be denied. Eligibility will be reevaluated for the month and, if there is an increase in the SOC, the added person will have the obligation to meet the difference in the new SOC over the old SOC in order to have medical services covered by CMSP. The SOC of the original applicant will not be changed in the month the new person is added. The new eligibility determination will apply to both members of the case in the month following the change. A new certification period will begin in the month following the addition of the new person and will be based on the aid codes granted at that time.

If the request to add a person occurs after Medi-Cal Eligibility Data System (MEDS) renewal, the policy will be applied as previously described: the original person must discontinue, the new person must be added in the current month, and a new determination for both persons shall be made starting the following month. (If there is a change in SOC, a MEDS override should be attempted. If that is not possible, due to an increase in the SOC, the original client will have the previous SOC for the first month of the new certification.)

If the added individual is eligible for Medi-Cal, and the existing CMSP client is linked (i.e., through deprivation) and joins the Medi-Cal case, the CMSP case shall be discontinued the month in which the Medi-Cal application is taken. Failure of the CMSP client to cooperate in determining Medi-Cal eligibility shall result in discontinuance.

If the added individual does not wish to apply for CMSP or is applying for Medi-Cal (and the CMSP client is not linked), the CMSP client's existing certification period remains intact. If the CMSP client applies again after that period, the determination will be based on the new Family Budget Unit (FBU) composition.

17. Applications for CMSP may be taken one month prior to the month in which the client wants benefits to begin. This will primarily be done in situations where the certification period is ending and the client wishes to reapply in the final month of the certification period so that benefits will continue uninterrupted for another certification period. It may also occur in those situations where the client requests discontinuance in one month so that new circumstances, such as reduced income, can be applied to the eligibility/SOC determination for the re-application for the future month. This ability to apply for a future month is also available for clients who have not already been receiving CMSP, but for some reason want the benefits to begin in the future month. In no circumstance will the certification period begin later than the month following an application. CMSP benefits will only begin in the application month or in the month following the application month.

18. An individual who has linkage to Medi-Cal must comply with all Medi-Cal requirements. If the individual does not provide resource verifications for Medi-Cal, that person cannot be eligible for CMSP, based on non-compliance with Medi-Cal eligibility criteria. This is existing regulation and is included here for clarification.
19. A client who voluntarily excludes a child from the Medi-Cal application and, thereby, eliminates his/her own deprivation/linkage to Medi-Cal cannot be eligible for CMSP based on that lack of linkage. For CMSP non-financial purposes, that individual is still considered to have Medi-Cal deprivation linkage. This is existing regulation and is included here for clarification.
20. When a client who has been receiving Medi-Cal is discontinued from Medi-Cal, CMSP will not be automatically evaluated. A new application for CMSP is required, and CMSP eligibility will be evaluated based on the circumstances in the application month.
21. When a client who has been receiving CMSP meets Medi-Cal linkage/deprivation criteria, Medi-Cal will be automatically evaluated. Those requirements that are applicable for a new Medi-Cal/CMSP application (Medi-Cal property verification standards, DAPD, medical support cooperation, etc.) will be applied, and if the client does not cooperate or verifications do not meet the Medi-Cal threshold, CMSP will be discontinued (with timely notice).
22. In no event shall a backdated CMSP application be taken as a result of an applicant failing eligibility from a backdated CalWORKS application due to Quarterly Reporting (QR)/Prospective Budgeting (PB). Example: Client reports on a QR7 submitted in August 2004 that the father of the CalWORKS aided children moved into the home in June 2004. The worker will determine eligibility to Medi-Cal for the father, effective June 2004. If the father is not Medi-Cal eligible, he cannot be granted CMSP for this back period. A separate CMSP application must be made, and the date of the application can be no earlier than the month the CWD was **notified** that the father returned to the home and was requesting aid.
23. Income will be limited to 200% of the federal poverty level (FPL). In addition to the existing property requirements for eligibility to CMSP, applicants will be restricted by income limits. This policy's intent is to limit eligibility to no greater than 200% of the FPL as determined each year. When determining CMSP budgets for purposes of applying the 200% FPL income test, counties are instructed to use the Social Security Administration Cost of Living Adjustment increase, and to allow for other health coverage premium deduction. This policy will become effective on the same date as when the REC policies are implemented.

Please note that 8F clients are subject to the 200% FPL income test. Medi-Cal spousal impoverishment rules do not apply to CMSP resources or income determinations.

The CWD will process the application according to REC policies first. Initially, budgets will be developed, determining net non-exempt income, for the application month and the future month(s), including intervening months. Then the income test of 200% FPL will be applied to each of those months. If successful, then the CWD will proceed with determining SOC. Therefore, while a client could be eligible and certified for CMSP under the REC policy, there may be one or more months during the period that he/she would not be eligible based on the income test. However, the income test will not be applied beyond the application processing months once the case is certified.

Sneede requirements limit financial responsibility to spouse for spouse and parent for child and are applied in SOC determinations. The 200% FPL income test will be applied to the net non-exempt income of the CFBU (without Sneede adjustments). If the applicant passes the income test, Sneede may then be applied as usual for SOC determinations. Sneede procedures do not apply to the 200% FPL income test. (Please note that eligibility requirements for property remain unchanged. Counties should continue to evaluate a client's property in the same manner they did prior to this policy.)

Example 1:

Client applies for CMSP in January. Client is over 200% FPL in January and under 200% in February. January benefits are denied. If client has a SOC in February, the certification period would be February and March. If there were no SOC in February, the certification period would be through June.

Example 2:

Client applies in January. Client is under 200% FPL in January but over 200% in February and ongoing. CMSP will be approved for January only and denied for February and March.

Example 3:

Client applies in January but requests benefits to begin February. Client is over 200% FPL for February but under 200% for March. February benefits are denied. If there were an SOC in March, the certification period would be March and April. If there were no SOC in March, the certification period would be through July.

Example 4:

Client applies in January and requests benefits to begin February. Client is under 200% FPL for February but over 200% beginning March. Benefits will be approved for February only and denied for March and April.

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The Governing Board approved the initial Policy List dated March 17, 2004. The Eligibility Committee approved modifications on May 19, June 16, and August 18, 2004. The Governing Board approved these Committee modifications on August 26, 2004.



**County Medical Services Program (CMSP)**  
Reduced Eligibility Certification (REC)  
Policy Related Questions and Answers  
October 5, 2004

**Application Process**

1. If a person has been determined categorically eligible for CMSP, will he/she be exempt from certification periods?

No. He/she will still be subject to certification periods. If the client reapplies for CMSP and is still on GA, then he/she can again be determined categorically eligible for CMSP. (7/15/04 REC call, Eligibility Manual 3-017)

2. If a person is counted/known in the CFBU but does not request aid and later wants aid, does the existing beneficiary have to request discontinuance to add the person?

No. The person's income, property and circumstances are already taken into account, so a card can just be issued. They are not "joining the CFBU" because they already are in it. (7/13/04 REC call) However, the ISAWS system will treat this as a new person/application and assign a separate certification period. If the couple in the CFBU has the same aid code, the county should override the system to coordinate the cert period with the existing member of the CFBU. (7/15/04 REC call)

3. In the situation where a client requests discontinuance so he can reapply and get a lower/no share of cost: What if the client decides he/she does not like (works to his advantage) the processing of the new application or new determination (e.g., discovery of excess property)? Would the county have to rescind the discontinuance if he/she changes his mind about withdrawing?

No. The client already was discontinued at his request; there is no going back. He/she can continue with the new determination or withdraw the application and consider applying at some time in the future. (REC Policy List # 15)

4. During an existing certification period, a new spouse joins the household and applies for CMSP, e.g., in February. The EW informs the applicant that the original person must discontinue by a certain time in order for him/her to receive aid for February. The original person does not discontinue, so the EW sends a denial notice to the applicant. Later, the original client does request discontinuance. Can the EW rescind the denial and grant aid to the new person?

- If the request for discontinuance is received in February, the EW can rescind the denial and grant aid in February.
- If the request for discontinuance is received on March 1<sup>st</sup> or after, the denial is upheld for February and any intervening months. It is not possible to rescind the denial because the original client may have received services on March 1<sup>st</sup> and it is then too late to re-evaluate the CFBU for March.
- The new person can submit an application (it would not be a reapplication) in another month, and the original person must request and be discontinued for that same month in order for aid to be granted.

Note: When the county receives notice that a “spouse is in the home”, the EW must follow up in a timely manner to see if the notice is intended as an application. The EW must inform the applicant (in the most efficient manner, i.e., phone call or notice) that the original person must discontinue by a certain time in order for her/him to receive aid for the same month. Additionally, the method of this contact by the EW must be documented in the case file. (REC call 6/1/04)

5. When a new member of the CFBU is added during the existing certification period, the original client must discontinue in order to add that person to CMSP. After that, a new certification period will begin for both. In these cases, does the added person get an extra month?

No. The added person is joining the CFBU in the last month of an existing certification period. Policy List no. 16 requires that both start a new certification period the following month. Then if they have different aid codes, they will have different lengths of certification periods. (7/13&15 REC call)

6. How does a gap in CMSP aid affect a disability application date?

The original CMSP/disability application date should be honored. For instance, if a client: 1) applied for CMSP in January, 2) was certified until June 30<sup>th</sup>, 3) filed a DAPD application in April, 4) he/she does not reapply for CMSP until August (or not at all), and 5) the DAPD was approved in September, the onset date for the disability should be the date stipulated in the DAPD approval notice.

7. When a client becomes linked or eligible for the Medi-Cal Program is timely notice required?

There is no change from prior policy. If an adverse action results from the conversion to Medi-Cal (i.e., going from a no SOC to SOC situation), then yes, a 10-day notice is required. If there is no adverse action, then timely notice is not required. (REC Policy List # 11)

8. Will the MC 210 be acceptable for CMSP for a **new** application?

The CMSP 210 is the preferred form to use for application. However, not all counties in all situations can determine to send the CMSP 210 or the MC 210. Therefore, if an MC 210 is returned and the client does not qualify for Medi-Cal, counties may use the MC 210 to process eligibility for CMSP. Since the MC 210 does not have the level of detail as the CMSP 210 (i.e., bank name, account number, balance, etc.), counties will need to obtain verification of resources when using the MC 210. (6/29/04 REC call)

9. What if a client reapplies for CMSP via an MC 210?

Again, counties are strongly encouraged to use the CMSP 210 for all applications. However, as in above, counties may accept an MC 210 but must then obtain verification of resources.

10. When should counties evaluate for CMSP as a matter of business practice?

At intake when an MC 210 applicant fails for Medi-Cal eligibility, it would be prudent to evaluate for CMSP. However, if a client is discontinued from Medi-Cal (i.e., loses linkage), he/she should apply for CMSP without the county initiating the evaluation process.

11. Can the Food Stamp application be used for a CMSP application?

No. The Food Stamp application does not cover the information required by the CMSP 210. (6/29/04 REC call)

12. How will cases that are in a pending status on December 1, 2004, be processed after that date?

For pending cases with application dates of October or November 2004, if processed in December, the case will be determined for those two months and December according to the new rules. The certification period could be two, three or six months from the date of application.

For pending cases with application dates July through September and processed after December 1, 2004, those months may be processed manually and determined according to the old rules. However, months October and forward (for the same application) must be processed according to the new rules as described in the preceding paragraph. The certification period could be two, three or six months from October 1, 2004.

Please note: This question and answer applies only to ISAWS counties.

13. Since certification periods are individual-specific, what happens in a household of aid codes 50 and 84?

When the certification period of aid code 50 expires, the certification period of aid code 84 continues uninterrupted. (REC call 5/4/04)

14. How are other examples of different SOC and/or certification periods in one CFBU implemented?

Examples: (1) Married couple, one a citizen and one an undocumented non-citizen – results in either aid codes 50/84 or 50/85. (2) Unmarried couple, case has unearned in kind income and/or only child receiving Public Assistance (SSI) – results in aid codes 84/85 (no deprivation to the child).

Example (1): Husband is aid code 50 and wife is aid code 84, first applied and certification period started in January. Husband's case terminates at the end of February. He reapplies in June and has changed jobs with more income. His certification will be for June and July. This individual's SOC has increased and his certification period is no longer within that of his wife's. Example (2): Unmarried couple applies in January, case has unearned in kind income and/or only child is receiving Public Assistance (SSI) (no deprivation to the child). If Sneed is applied to the case, due to the unearned in kind income/lack of child in CFBU one member of the couple has a SOC while the other does not. One individual's certification period goes from January through June, the other's goes from January through March. (REC call 5/4/04)

15. How should the CWD proceed with application processing when it has been delayed beyond the certification determination month (CDM)?

If an EDBC is run in the third month for an application, and aid code 50 is indicated for the first two months, but aid code 84 is indicated for the third month, certification is still limited to two months, per policy. Additionally, if the application processing is delayed by the county beyond the CDM:

- Some manual processing will be necessary in ISAWS counties depending on what months fall out of the EDBC window.
- County can request client produce an application for EDBC window months if necessary, i.e., a need exists. (P.L. #8 and REC call 6/29/04)

16. When a spouse (e.g., a wife) joins the household of an existing CMSP beneficiary (e.g., a husband who has a SOC) and is eligible to Medi-Cal, does the CMSP person have to request discontinuance in order to have the wife's medical expenses applied to the CMSP SOC?

Yes. In order for the new wife's medical expenses to be applied to a CMSP SOC, she must be part of the CFBU. In order for the spouse to be part of the CFBU, the original beneficiary must discontinue his existing certification period. In the situation where the CMSP husband does not request discontinuance, and his new spouse becomes eligible for Medi-Cal, the CMSP person is an ineligible (IE) member of the MFBU and can apply his medical expense against her Medi-Cal SOC. However, since the wife is not part of the existing CFBU, she is not an IE member to the CFBU and therefore cannot apply her medical expenses to the CMSP SOC.

The only exception to the above rule is in a situation when the husband discontinues (for example, in the month of September) and the wife become eligible to CMSP the same month, each person's medical expenditure can be applied to either SOC (the couple may have different SOC amounts for that month.).

Medical expenses of anyone whose property and income is not used to determine the CFBU cannot be applied to the CMSP SOC.

17. What are the required forms for CMSP initial application and reapplication?
- SAWS 1, CMSP 210 or MC 210
  - Statement of Facts (CMSP 210, SAWS 2, MC 210)
  - CMSP 219
  - MC 13 if applicable

### **Property**

1. Suppose a client submits an application for benefits to begin the following month and the county determines ineligibility based on excess property at the time the application was submitted. Would the county have to rescind the denial if the client reduced the excess property by the end of the month that benefits were requested?

Yes. The denial must be rescinded. The client is not applying for benefits in the month of the submitted application. He/she is requesting benefits to begin the following month and has until its end to spend down excess property. A client has always been allowed to spend down property by the end of the application month, which, prior to this policy, was the month benefits would begin. Although clients can self-certify property balances, any spend down of declared excess property must still be verified. (REC Policy List #4)

2. When a client spends down excess property (money) on future rent, utilities, non-covered health services, etc., can it be for months beyond what the certification period will be?

Yes. For example, it is permissible if the certification period will only be for three months, but he/she spends down a savings account on six months of rent.

## **Income**

1. What considerations will be given to the SSA COLA when applying the 200% FPL to a client's income?

There will not be any disregard for the SSA COLA in January, February and March each year prior to the new FPL being issued. When a client receives the COLA increase, it will be used in determining his/her net non-exempt income. (REC Policy List #23)

2. Is a client's other health care insurance premium allowed as a deduction when applying the 200% FPL to a client's income?

Yes. CMSP will allow the deduction of a client's other health care insurance premium.

3. When comparing income against the FPL, will actual income, multipliers or averaging be utilized?

There is no change to the way net non-exempt income is calculated. (See CMSP Eligibility Manual 8-019.)

4. Will Sneed be considered when determining the 200% FPL income test?

No.

5. How are clients with aid code 8F affected by the new policies?

Limited certification periods do not apply to 8F clients. However, those clients will be subject to the 200% FPL income test (REC Policy List #1 & # 23)

6. Do Medi-Cal Spousal Impoverishment rules apply to CMSP 8F aid code?

No. Neither the Spousal Income Allocation nor the Community Spouse Resource Allowance is used. Applicants must be within the 200% income test and within the CMSP resource limits to be eligible for 8F aid code. Separate budgets and resource determinations must be computed for 8F and 53 aid codes. ISAWS counties may either complete a manual budget for 8F or run EDBC prior to entering the AEILTC screen. If the applicant

fails resources or the 200% income test, an override will need to be done for the 8F aid code once the AEILTC screen is completed and EDBC is rerun. (REC call 8/12/04)

7. Can counties continue to deny benefits to one household member whose income is *unverifiable*, but grant benefits to another household member whose income is *verifiable*?

No. Under the new rules, if anyone's income is unverifiable all CMSP applicants in the household must be denied because the income test is applied to the CFBU, not to any mini budget units. (6/9/04 REC call)

8. What will be used by the county for the FPL designation?

The Medi-Cal All County Welfare Directors Letter sent each year on (or about) April 1<sup>st</sup>. (REC call 5/4/04)

### **Share of Cost**

1. If a new spouse is excluded by choice from an existing CMSP case until the end of the existing certification period, should the SOC be changed during the period to account for the new income?

No. SOC is not changed during a certification period for fluctuation in household income. Likewise, if a spouse leaves the household, the SOC is not adjusted to reflect a decrease in income. In either case, the client must discontinue the existing certification and submit a new application. (REC Policy List # 16)

2. In some situations a husband and wife will have different SOC in a particular month. Can MEDS accommodate such a difference within the same CMSP CFBU, allowing for one SOC reduction to apply to the other as well?

Yes. It is not a problem, as MEDS currently has that capability. (REC call 5/4/04)

### **Miscellaneous**

1. Are there any changes to the MEDS relating to these new policies?

No. MEDS will function as before.

2. How will the end of a certification period be processed through MEDS?

At the end of a certification period, for the cases where the client has not been approved for a new certification period, benefits are discontinued in a two-step process:

- Prior to MEDS cutoff, a hold trigger is sent to MEDS (instructing MEDS not to roll benefits to the next month).
- On the last day of the month (of certification period), a termination trigger is sent to MEDS (to confirm that benefits should not roll to the next month).

This two-step process is needed in case a client reapplies between the time the hold trigger is sent and the last day of the month. If the client reapplies (and is granted aid) during that period, instead of a termination trigger (in the 2nd step), a release trigger (or Eligibility Change trigger) is sent so that MEDS is instructed to provide the appropriate level of benefits in the next month. Of course, if the client reapplies (and is approved for a new certification period) prior to MEDS cutoff no hold trigger is sent.

3. How will existing caseload be converted to the new rules?

It depends on the eligibility system in use by the county:

- Sonoma County (CDS) is currently operating most of the new rules. They will implement some new changes regarding the income test, eliminating ongoing aid for chronic cases, etc., on December 1, 2004.
- Solano County (CDS) will be implementing all of the changes beginning December 1, 2004, in mostly a manual process.
- All other counties (ISAWS), please refer to July 7, 2004, JRP/JAD slide presentation (nos. 72-76)

12. How will the CMSP Caseload Movement and Activity Report (CMSP Form 237) be affected by this change?

Since certification periods can be individual-based (two people in the same CFBU can have two different aid codes), the Form 237 report will be compiled based on individual activity. The 237 report form has been revised and a cell-by-cell description has been developed. Please note: ISAWS will generate a report to assist counties in converting their Form 237 data in December from case-based to individual-based numbers. CDS counties will continue reporting on the old Form 237 until notified otherwise.